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TAGS: [PGOV](#) [CH](#)  
SUBJECT: HU'S IN CHARGE AND HARMONY IS THE WATCHWORD

REF: A. BEIJING 21533  
[1](#)B. BEIJING 20986  
[1](#)C. FBIS CPP20050219000025

Classified By: Political Internal Unit Chief Susan Thornton.  
Reasons 1.4 (b) and (d).

#### Summary

[1](#)1. (C) China's recent Party Plenum Decision, which elevated President Hu Jintao's concept of building a "harmonious society," indicates that Hu is firmly in charge and set to pursue policy changes aimed at restoring some balance to China's growing gaps. The harmonious society slogan is also an effective PR tool that resonates with the general public. Hu's promotion of this catchphrase reflects a genuine worry among the leadership about social stability and continued Communist Party rule. Nevertheless, significant political reform is not in the cards, predicted one Embassy contact. The Plenum communique's silence on deposed Shanghai Party Secretary Chen Liangyu reflects a need to let the

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investigation run its course, several contacts stated. One contact said that Chen's demise was more the doing of former President Jiang Zemin than Hu Jintao and that Jiang and Hu cooperate closely on many issues. Regarding broader personnel decisions for next year's 17th Party Congress, "nothing" has been decided, contacts reported. End Summary.

#### Hu Jintao's Growing Power

[1](#)2. (C) The just-completed Sixth Party Plenum (Ref A) constituted a major step forward in the consolidation of Hu Jintao's power, Beijing contacts asserted this past week. Central Party School Scholar Qin Zhilai (protect) said on October 13 that the Plenum's focus on the "harmonious society" concept, including raising the concept to the level of the Party's overall guiding philosophy, indicates that Hu's formal stature within the Party has increased. Separately, former People's Daily editorial writer, Ma Licheng (protect), agreed that the adoption of a Central Committee "Decision" devoted solely to Hu's doctrine suggests a significant jump in his stature within the Party. Li Qiang (protect), Dean of the School of Humanities at Qinghua University, speculated that this is President Hu's effort at securing his legacy and the goal is for harmonious society to eventually enter the CCP's ideological canon.

#### Harmonious Society: Concrete Policies Coming

[1](#)3. (C) The elevation of the harmonious society idea not only reflects Hu Jintao's increased authority, but will also have concrete policy implications, Qin said. A great deal of "specifics" surrounding harmonious society were discussed at

the Plenum, and though not yet public, tangible policies to implement this concept are on the way. The Plenum's focus on harmonious society is the result of more than two years of work that began in 2004 when this slogan was first introduced, he explained. In February 2005, the Central Party School convened a conference at which all prefectural party secretaries "studied" the concept in detail (Ref C) and now it has, for the first time, been approved in a Plenum Decision. At next year's National People's Congress (NPC), greater detail regarding the policies needed to implement the harmonious society concept will be made clear.

14. (C) In a separate conversation, Pei Bin (protect), The Asia Society's Senior Program Officer in Beijing, argued that outside observers should not be overly hasty in dismissing harmonious society as mere propaganda. The concept reflects genuine concern at the top with China's social problems, she stated, and it is increasingly having an impact on policy decisions, especially regarding the "new socialist countryside." Dean Li of Qinghua University, however, said he was doubtful that the goal of creating an equitable society, as announced in the Plenum communique, could be reached by 2020. "It will take 40 to 60 years," he said. But addressing social inequality now is a way to garner support among China's less fortunate.

Harmonious Society: Effective "PR" Tool  
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15. (C) The harmonious society concept clearly resonates with the common man and makes for good "public relations," regardless of what its policy implication might be, several Embassy contacts stated. In contrast to Jiang Zemin's "Three Represents," which never got any traction among the public, Ma Licheng said ordinary people see the slogan as a reflection of China's intensifying social conflicts and a

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sign that the leadership wants to do something to fix this. Jiang Bo (protect), self-styled Beijing intellectual and Chinese language instructor, agreed, telling poloff that ordinary people actually use the phrase in daily conversations to indicate dissatisfaction with government policies. Li Qiang noted that Hu is being craftier on this score than Jiang Zemin. Jiang introduced the "Three Represents" too late in his tenure, and average Chinese citizens had no idea what it meant. On the other hand, "Who can oppose a 'harmonious society?'" Li asked rhetorically. Other contacts, such as Ma Licheng, argued that the harmonious society concept also has the "flavor" of traditional Chinese moral philosophy, making it more palatable to the public.

"Genuine" Concern of Top Leadership with Stability  
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16. (C) The Plenum's emphasis on harmonious society reflects a genuine worry among the Party leadership about social stability, according to Embassy contacts. Feng Shuquan (protect), a professor at the Central Party School who focuses on social conditions in rural areas, said the urban-rural, rich-poor gap is a reality -- and it is growing. The proliferation of incidents of unrest, stemming from feelings of inequality and disenfranchisement among have-nots, particularly the rural poor, makes the leadership especially nervous. According to An Hongquan (protect) of the State Council Development Research Center, Chinese leaders are obsessed with internal stability and spend the vast majority of their time working on this issue, with less time for foreign policy problems. Qin Zhilai echoed this view, arguing that the central leadership believes that legitimate problems in areas such as education, health care, housing, and employment are exacerbated by corruption and combine to present a genuine threat to social stability and continued Communist Party rule. Feng observed that the leadership has "done the math" and believes the key to

stability is convincing the huge swath of rural residents that the Government is addressing their problems. Against this backdrop, the Plenum communique's language on harmonious society amounts to a bit of public relations aimed at drumming up support for Beijing's policies and President Hu's and Premier Wen's leadership. Nonetheless, Feng also dismissed as unrealistic the Plenum communique's pledge to eliminate the urban-rural gap by 2020.

#### Harmony Does Not Require Political Reform

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17. (C) Observers shouldn't get their hopes up that harmonious society will contain significant political reform, Ma Licheng told poloff. Don't be fooled by the media attention to political reform proposals before the Plenum, he warned. The leadership talks a good game but has "absolutely no intention" of enacting "real" political reform before the 17th Party Congress. Chinese leaders are extremely concerned about social-political stability and the Party's staying power, and any truly meaningful political reform, such as giving people greater power or opening up the information flow, is viewed as a threat. Hu is under pressure from various quarters both for and against reform, but in the end he will heed the consensus of the collective leadership. Right now that consensus, Ma stated, is to keep the lid on political change.

#### What Happened to Chen Liangyu?

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18. (C) Despite the Plenum communique's silence on personnel matters, including the status of deposed Shanghai Party Secretary Chen Liangyu (Refs A and B), there is "no doubt"

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that such issues were discussed, even as those deliberations remain secret, both Qin Zhilai and Li Qiang told poloffs in separate conversations. The Plenum final communique made no mention of Chen's status only because the investigation has yet to run its course, according to An Hongquan. Ma Licheng agreed, noting that there was only a short time span between the announcement of Chen's removal and the opening of the Plenum. Chen will eventually be booted from the Politburo prior to next year's 17th Party Congress, both An and Ma agreed. In contrast, Li Qiang speculated that the Plenum's radio silence on Chen Liangyu may indicate that an unspecified deal was cut to leave Chen in his Politburo position for now.

#### Jiang Zemin Role in Chen's Downfall?

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19. (C) According to An Hongquan, former President Jiang Zemin played a major role in Chen's takedown, cooperating closely with President Hu Jintao. Jiang and Chen used to be close,

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but lately Chen had "gotten out of control," to the extent that he angered even Jiang. (According to An, Chen had embezzled more than 400 million RMB.) Jiang Zemin and Hu Jintao have a "pretty close" working relationship, An said, and while Hu is clearly in charge of the day-to-day running of the Party, Jiang still has influence. Zeng Qinghong is working closely with Hu now, but the fact that Hu and Jiang work well together enables the positive working relationship between Hu and Zeng. Acting Shanghai Party Secretary Han Zheng is merely a caretaker, An stated, and will not be named as the "permanent" replacement for Chen. In a separate conversation, Ma Licheng agreed that Han Zheng will not be the permanent Shanghai Party Secretary, adding that he will not make the Politburo, as there are at least four or five names ahead of him on the Politburo "list." Shanghai is "reeling," An said, stating that "no officials dare to go there." Officials there now have been told not to leave the city and several officials are sitting in for others, but no

one knows who is up and who is down.

#### Personnel Rumors

¶10. (C) Commenting broadly on possible personnel changes at next year's 17th Party Congress, Ma Licheng said "nothing" has been decided so far. For example, he said it is unclear whether Zeng Qinghong will stay on the Politburo Standing Committee. An Hongquan agreed that personnel matters are undecided, commenting that only Hu Jintao's position is "certain." An commented that some businesspeople are dissatisfied with Wen Jiabao's stewardship of the Chinese economy and have suggested that the Premier should be changed. Everyone likes Premier Wen, An stated, but some believe he is "not up to the job." While rumors are circulating in Beijing about leaders who are angling for the Premier's job, most contacts who discussed this issue maintained that Wen will remain Premier after 2007.

#### Why Plenums Matter

¶11. (C) Ordinary people pay no attention to Plenums, Ma Licheng told poloff, but that doesn't mean they are unimportant. Plenums are significant for the reason they always have been: ratifying leadership decisions. Moreover, he cautioned against reading too much into the fact that Party leaders held outside meetings during the Plenum, such as Hu Jintao's meeting with Prime Minister Abe on the Plenum's opening day. Such outside meetings are not particularly unusual and in any case all Plenum sessions are pre-arranged and there is always time in the schedule to do other things. Most importantly, he said, the Plenum communique is determined at least three weeks in advance, so delegates "put on their suits and go through the motions" of rubber-stamping the pre-determined outcome. As long as the Plenum results in that pre-planned conclusion, which it always does, the meeting is considered a success.

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